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DEPARTMENT FOR INR/R/MR, EAP/TC, EAP/PA, EAP/PD - DAVID FIRESTEIN DEPARTMENT PASS AIT/WASHINGTON

SIPDIS

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TAGS: OPRC KMDR KPAO TW

SUBJECT: MEDIA REACTION: CROSS-STRAIT RELATIONS AND U.S. MIDDLE EAST

POLICY

Summary: Taiwan's major dailies November 29 focused on State Public Prosecutor-General Wu Ying-chao's demand to adopt "a consistent standard" for either investigation of the special allowance case involving Taipei Mayor Ma Ying-jeou, or Tainan Major Hsu Tien-tsai; the earliest possible date (December 23) for the Taiwan High-Speed Railway to begin operations; and the seizure of marijuana and hydroponic equipment used for cultivating it in Taipei. In inside pages, the focus was on whether President Chen Shui-bian's son, Chen Chih-chung, has applied for immigration to the United States.

In terms of editorials and commentaries, Taiwan's pro-independence, largest-circulation daily "Liberty Times" editorialized that the Taiwan authorities should not again help China to be a kingdom of silicon wafers. Commentator Lin Po-wen opined in the pro-status quo "China Times" that Secretary of State Condoleezza Rice should also be blamed for the U.S. quagmire in Iraq. End summary.

The pro-independence, Taiwan's largest "Liberty Times" [circulation: 600,000] editorialized (11/28):

- "... The Investment Commission under the Ministry of Economic Affairs (MOEA) said November 13 that the government will withdraw restrictions on Taiwan investment of 0.18 micrometers manufacturing process for wafers by the end of 2006; the MOEA also reached an initial agreement with the Mainland Affairs Council (MAC) that they will allow the ProMOS Technologies and the Powerchip Semiconductor Corp to set up 8-inch wafer fabs in China. After a few days, the MAC Chairman [Joseph Wu] also confirmed that he will greatly ease the restrictions on the enlargement of the 'mini-three links' and 0.18 micrometers manufacturing process for wafers. It seems that the DPP government is making another wave of 'grand liberalization' after its 'proactive liberalization' [policy] in 2002 in order to satisfy the needs of Taiwan businesspeople in China and entrepreneurs who seek achievements in the Chinese mainland.
- "... We consider that the government's policies, including those in the economic and financial sectors, should list the benefit of all Taiwan people as well as national security as a priority; this is also the prerequisite for businesses. 'Liberalization' is not an aimless policy. Rather than allowing Taiwan's silicon wafer fabs to expand their production quantities in China, we consider it better to persuade these businesses to spend capital, human resources, and time on the R&D of new technologies; they might be arduous for the time being, but they will benefit business operations in the future.
- B) The War in Iraq is in a Quagmire; Former National Security Practitioners Criticized that Secretary of State Condoleezza Rice is

Commentator Lin Po-wen opined in the pro-status quo "China Times" [circulation: 300,000] (November 29):

- "U.S. Secretary of Defense Donald Rumsfeld was forced to step down; insiders in Washington D.C. all know that Secretary of State Condoleezza Rice was behind this, since she was bullied by bossy Rumsfeld. Recently, however, some former national security practitioners from both parties consider that Rice should be at least partially responsible for the Bush Administration's quagmire in Iraq; they even criticize Rice in public.
- "... Claire McCaskill, a Democratic Senator-elect for the State of Missouri who just beat her Republican rival, criticized President George W. Bush's Iraq policy by saying in her victory address that '[we] might be able to establish a regime, but not a democracy, at the barrel of a gun.'
- "[If] [e]ven a local politician has sense like this; doesn't Rice, who has a Ph.D. in political science and has worked in the field of national security for years, know about it? No wonder Vice President Dick Cheney and Secretary of Defense Donald Rumsfeld led Rice around by the nose. After taking on the position as Secretary of State, Rice's subordinates can only show off how Rice has traveled around the world, and has flown tens of thousands of miles. But where are her diplomatic accomplishments?"

YOUNG